

From: Arthur Graham
To: jlane@halifaxlawgroup.com
CC: Hensler, Sue; Mitchell, Esther
Date: 1/31/2012 3:23 PM
Subject: Fwd: Re: Carni
Attachments: NC Tangible Personal Property.pdf

Dear Ms. Lane and Ms. Hensler:

Attached is a list of additional items for which purchase records exist, but which are missing. Please advise as to when we can discuss the return of the items.

If additional missing items are identified I will advise immediately. You should note that the items were purchased using an SVAA issued credit card, and include things such as a Playstation 3 video game console, and extended warranty for the same. Why the SVAA would have needed such an item, as well as others on the attached list, will also need to be addressed.

Regards,

Art Graham
Assistant County Attorney
County of Volusia

Nicole Carni
Listing of Tangible Personal Property
Purchased with SVAA American Express Card
August 2011 - December 2011

Date	Description	Qty	Unit Cost	Value*	Vendor
8/5/2011	8ft HDMI Cable	1	55.99	55.99	Best Buy
8/5/2011	Wireless Mouse	1	14.39	14.39	Best Buy
8/5/2011	Sherpa 16" Slimcase Burgundy	1	15.99	15.99	Best Buy
8/5/2011	Wireless Controller for Playstation 3	1	35.99	35.99	Best Buy
8/5/2011	Sony VAIO Laptop i5	1	779.99	779.99	Best Buy
8/8/2011	Various 2 & 4 GB USB Drives	25	8.00	213.00	Walmart
8/16/2011	Wireless Mouse	1	11.99	11.99	Best Buy
8/16/2011	IPAD Smart Cover	2	55.99	111.98	Best Buy
8/16/2011	Wireless keyboard	2	57.59	115.18	Best Buy
8/16/2011	Couch Mouse	1	39.99	39.99	Best Buy
8/16/2011	Ipad Digital AV Adapter	1	31.99	31.99	Best Buy
8/16/2011	Ipad Dock Connector	1	23.99	23.99	Best Buy
8/16/2011	Wireless keyboard	1	15.99	15.99	Best Buy
8/16/2011	Memory Mouse pads	3	16.99	50.97	Best Buy
8/16/2011	Invisi Shield Ipad	1	29.99	29.99	Best Buy
8/16/2011	Ipad MC775LL/A	1	829.99	829.99	Best Buy
8/16/2011	Dual Alarm Clock Radio Ipad	2	129.99	259.98	Best Buy
8/16/2011	Rocketfish AC/DC Adapter	1	79.99	79.99	Best Buy
8/16/2011	Garden Hose	3	33.97	108.53	Home Depot
8/16/2011	Computer Cart	1	59.99	59.99	Best Buy
8/20/2011	Bamboo Stylus for Ipad	1	23.99	23.99	Best Buy
8/20/2011	Survivor for Ipad	1	63.99	63.99	Best Buy
8/20/2011	Apple Ipad Case	1	31.99	31.99	Best Buy
8/20/2011	Magic Trackpad	1	55.99	55.99	Best Buy
8/20/2011	Rocketfish Ipad keyboard	1	79.99	79.99	Best Buy
8/20/2011	Incase Hardshell Case for Ipad	1	39.99	39.99	Best Buy
8/20/2011	Sony Playstation 3	1	299.99	299.99	Best Buy
8/20/2011	4 yr Warranty Playstation 3	1	129.98	129.98	Best Buy
8/20/2011	USB 2.0 Hub	1	35.99	35.99	Best Buy
8/20/2011	Pny 8GB Micro Sleek Purple	1	13.99	13.99	Best Buy
8/26/2011	Business Card File	1	9.89	9.89	Office Depot
8/26/2011	CD Storage Box	1	20.98	22.34	Office Depot
8/31/2011	N USB Adapter	1	37.96	40.43	Walmart
9/4/2011	Search Engine Optimization Bible	1	35.99	38.24	Barnes and Noble
9/4/2011	HTML5: The Missing Manual	1	35.99	38.24	Barnes and Noble
9/4/2011	Smashing WordPress: Beyond the Blog	1	28.79	30.59	Barnes and Noble
9/4/2011	Creative Blogging: Your First Steps To A	1	25.19	26.76	Barnes and Noble
9/4/2011	Winning Results with Google AdWords	1	22.49	23.90	Barnes and Noble
9/4/2011	UnMarketing: Stop Marketing, Start Engag	1	22.45	23.85	Barnes and Noble
9/4/2011	Social Media Bible: Tactics, Tools and	1	26.95	28.63	Barnes and Noble
9/4/2011	Inc Special NP	1	5.39	5.73	Barnes and Noble
9/4/2011	MacBlook (I) The	1	26.99	28.68	Barnes and Noble
9/4/2011	MacPack	1	11.69	12.42	Barnes and Noble
9/4/2011	Ipad Book	1	17.99	19.11	Barnes and Noble
9/4/2011	Ilife Tips n Tricks	1	26.99	28.68	Barnes and Noble
9/4/2011	Prof Photoshop Genius	1	26.99	28.68	Barnes and Noble
9/4/2011	Computer Arts Presents	1	16.19	17.20	Barnes and Noble
9/4/2011	Computing General Series	1	17.09	18.16	Barnes and Noble

Nicole Carni
Listing of Tangible Personal Property
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Date	Description	Qty	Unit Cost	Value*	Vendor
9/4/2011	Artful Blogging	1	13.49	14.33	Barnes and Noble
9/4/2011	Barnes and Noble Membership	1	25.00	25.00	Barnes and Noble
10/14/2011	Crew Cardigan	1	23.75	23.75	Lands End
10/14/2011	Cbl Cardigan	1	47.03	47.03	Lands End
10/14/2011	Wrap Dress	1	47.49	47.49	Lands End
10/14/2011	Wrap Dress	1	47.49	47.49	Lands End
10/14/2011	Shipping and Handling (1/2 NC 1/2 SH)			10.73	Lands End
11/5/2011	Clothes (Knits, Pants, Sweaters, Wovens, Jackets)	17	Various	478.58	Anne Taylor Loft Outle
11/11/2011	Cell Phone Chargers and Misc Gift (Mens)	6	Various	73.08	Marshalls & Home Go
11/11/2011	Glassware	14	Various	206.87	Marshalls & Home Go
11/11/2011	Dinnerware	2	34.99	69.98	Marshalls & Home Go
11/11/2011	Table Linens	4	Various	79.96	Marshalls & Home Go
11/11/2011	Opportunities	19	Various	123.81	Marshalls & Home Go
11/11/2011	Draw Baby Animals Book	1	18.99	20.50	Michael's
11/11/2011	Mini Tab Runner	3	2.24	7.22	Michael's
11/11/2011	Set Watercolor G	1	18.74	20.15	Michael's
11/11/2011	Set Pastel Getti	1	18.74	20.15	Michael's
11/11/2011	Set Drwng/Sketchn	1	18.74	20.15	Michael's
11/11/2011	Setch 9x12	1	7.49	8.05	Michael's
11/11/2011	Canvas 11x14	1	8.99	9.66	Michael's
11/11/2011	Brush Pack 25pc	1	3.74	4.02	Michael's
11/11/2011	Easel Plein-Air	1	37.52	40.33	Michael's
11/11/2011	Easel Plein-Air	1	37.52	40.33	Michael's (\$190.57)
11/25/2011	Keurig Coffee Pot	1	119.99	127.79	Bed Bath & Beyond
11/25/2011	Coffee Carousel	1	15.99	17.03	Bed Bath & Beyond
11/25/2011	K Cup Holder Drawer	1	19.99	21.29	Bed Bath & Beyond
11/25/2011	K Cup Coffee	Various	Various	76.75	Bed Bath & Beyond
11/30/2011	Livescribe 8GB ECHO Smartpen	1	229.99	244.94	Best Buy
11/30/2011	Livescribe Notebook 3 subject	1	6.79	7.23	Best Buy
11/30/2011	Single Subject Notebook	1	15.29	16.28	Best Buy
12/2/2011	Christmas Trees	2	69.99	149.08	Kmart
<u>Gift Cards:</u>					
12/13/2011	Card number:127058	1	210.00	210.00	The Spa at Riverview
12/13/2011	Card number:127057	1	144.00	144.00	The Spa at Riverview
12/20/2011	Card number:127411	1	200.00	200.00	The Spa at Riverview
12/14/2011	Home Depot	1	50.00	50.00	Publix
12/14/2011	Outback	3	50.00	150.00	Publix
12/14/2011	Olive Garden	3	50.00	150.00	Publix
12/14/2011	Bed Bath & Beyond	2	50.00	100.00	Publix
12/14/2011	Macy's	2	50.00	100.00	Publix
12/14/2011	Publix	5	50.00	250.00	Publix
12/14/2011	Amex	6	206.24	1,237.44	Walmart
12/14/2011	Gift Card	6	50.00	300.00	Walmart
				<u>\$ 9,093.82</u>	

* includes sales tax where applicable

From: Arthur Graham
To: Carolin, Lougena
CC: Mitchell, Esther
Date: 2/1/2012 12:42 PM
Subject: Fwd: Re: Carni

>>> "K. Judith Lane" <jlane@halifaxlawgroup.com> 2/1/2012 12:26 AM >>>
Thank you, Art.

I met with Ms. Carni, today, at 2:00p, but did not have your email, below, at the start of our meeting. As a result, I was only able to review this new list with her briefly, and I asked her to take it home with her tonight and get back with me about the contents identified in the intangible itemization you provided. I am supposed to speak with her tomorrow (Wednesday) about it if possible; I have 5 or 6 client appointments throughout the day, so I will do what I can tomorrow on this new list of items you indicate the County is looking for. The list is quite extensive, but Ms. Carni either has the items in her possession or she does not and, if not, I am under the general impression from her that the items should be at the SVAA offices, from which she was summarily removed without notice on the evening of January 5, 2012 via notice by way of a telephone call. She has not returned since that time.

In the meantime, she has brought me the Sony laptop she used while serving as the SVAA executive administrator and the various other items that were in her possession that you identified in your letter to me of Friday, January 13, 2012. I have not had a chance to inventory and review everything she brought me today. There are a couple of bankers boxes full of work related materials; I will have my staff complete the inventory tomorrow and send you a copy in writing of what we have so we can coordinate a transfer to your office. Ms. Carni had the laptop and other items in her possession, as the County is well aware, with the permission of the SVAA because she was a salaried administrator who often worked outside of her office. She was putting in 70-90 hours per week -- I am told -- and she would take her laptop to and from the office regularly, if not daily, and would often work late into the evening and early morning hours, from home, on SVAA business. Apparently, the SVAA desktop computers are (or were for the most part) non-functional when Ms. Carni took over, as well. So, when she found out on January 6, 2012 -- only after reading about herself in the News Journal --that she had been placed on administrative leave, she still had her laptop and a myriad of other items from work -- that she constantly used for SVAA business - with her at home.

From all accounts -- the newspaper reports notwithstanding -- what I have gleaned from my investigation of the matter is that Ms. Carni lived and breathed her job for the SVAA, carrying many of the marketing materials and tools with her in her car to trade shows, marketing meetings, local businesses, etc., so she could advance the SVAA's mission at every opportunity. Moreover, in order for the matters in your January 13, 2012 letter not to be construed to suggest that Ms. Carni intentionally failed to return the laptop or other items to the County, please be aware that Ms. Carni indicates to me that she specifically asked - on more than one occasion during the early days of her administrative leave -- whether and to whom she should return the various SVAA items (such as the laptop) that remained in her possession but she got no guidance of any kind. As I understand it, no one at the County has ever taken the time to even speak to Ms. Carni since Mr. Dineen instructed the SVAA Board to place her on administrative leave, he commandeered authority over the SVAA away from its own board, and demanded that the board terminate her -- their independent judgment and fiduciary obligations as board members notwithstanding. By January 17, 2012 (the date the board voted to terminate her) Ms. Carni had left town - at my instructions - to get away from the misplaced attacks on her character that by then were being bandied about by various public officials and that were being repeatedly and maliciously reported by several local "news" papers on what was becoming a daily basis. The caustic and defamatory allegations against Ms. Carni -- that she somehow had acted in a deceitful manner in performing her job for the SVAA -- were, as you and I discussed prior to my departure for Boston, very emotionally overwhelming for her and it caused her (and continues to cause her) tremendous heartache, anxiety and severe emotional distress. Her condition worsened so severely at one point that it necessitated her receiving

emergency medical care. As a result, I felt it best that she just remove herself from the situation altogether while I was scheduled to be out of town for my federal court trial in Boston as I simply would not be available to address her concerns. I truly feared that the damage being done to her would severely, and potentially permanently, impact her health.

In any event, as you can see, as I am writing this email to you it is quite late. I am still catching up from being out of the office for nearly 2 weeks in trial, but I wanted to get back to you today, as my office promised you I would. I will get you an itemized list in response to your January 13 letter tomorrow hopefully - now that I have had the chance to speak with Ms. Carni about it -- and, as soon as I am able, this week I will also get you an itemization/explanation of what, if anything, Ms. Carni knows about the list of intangible property you provided my office today, once Ms. Carni is able to review it and provide me with her comments.

Also, I am available if you want to give me a call to talk about making arrangements for the pick-up/delivery of the laptop and other items/documents, and whether you want to the property transfer in phases, if she has any more items in her possession, given your multi-part request. If Ms. Carni has any other items in her possession from her work with SVAA, we will get them to you post haste. I also want to speak to you about -- and make sure we have an agreement on -- the preservation of the evidence we will be relinquishing to your custody. In the event that litigation become inevitable in this matter, I want to make sure we have a clear means of preserving everything for our respective analysis, before any materials are released from my office to yours. For example, I have not had any forensic analysis performed on the laptop to preserve its contents, as I just received it from Ms. Carni today at our meeting. I am not sure that I will need such forensics performed, as I have no idea what is stored on the laptop. However, I will need assurances from you that your office will take affirmative steps to ensure that there is no spoliation of the evidence that may be contained on the laptop's hard drive or of any of the other documents/materials Ms. Carni delivered to me that I will, in turn, be delivering to you. All documents, data and metadata should be maintained by the County in their current form and the laptop should not be scrubbed in any way, or put back into circulation, in the event we need to call upon the data and metadata it may contain at some point in the future. Let me know how you think it best to handle this situation. I will deliver the property over to you with our firm's standard spoliation notice, but I would like to know how the laptop will be maintained during the course of our proceedings, and have access to its contents, until the issues between Ms. Carni and the County are fully resolved to our clients' mutual satisfaction.

Finally, this is a reminder of our discussion on January 12, 2012 -- just before I left for Boston -- regarding the draft written proposal Ms. Carni put together for the SVAA board regarding a proposed "exit strategy" for her. That proposal was never officially tendered to the SVAA board or to the County, to my knowledge. In any event, even if it was, it was certainly never accepted. Please make the County (your only client, as I understand it) and to the SVAA (if that authority is also your client) fully aware that the terms proposed in that draft letter have been completely and fully withdrawn by Ms. Carni. She presented the draft exit strategy proposal to Mr. Kosmas, as I understand it, to get his thoughts, but also at a time when she was under the impression - without many details as to why -- that Mr. Dineen was looking for her resignation. However, at the time Ms. Carni presented the draft, the circumstances were completely different than the situation now before us -- first, Ms. Carni had not been terminated from her position; second, she had not been openly and falsely accused of any particular malfeasance or impropriety; third, she had not been vilified and humiliated by County officials with little to no knowledge of the situation who were, nonetheless, more than willing to comment to the local press about the matter; and finally -- and most importantly -- she had not been rendered nearly incapacitated from the emotional trauma she has since endured from this whole ordeal. All of those factors affect what an appropriate "exit strategy" for Ms. Carni will be and they have all, obviously, changed, at this point.

I will follow up with you tomorrow at my first opportunity and I encourage you to do the same with me if I have been unable to make a call to your office by the lunch hour. I appreciate your courtesies in this matter and I look forward to speaking to you and working on a prompt and efficient resolution for all concerned.

Thank you.

Judi

On Jan 31, 2012, at 3:23 PM, Arthur Graham wrote:

> Dear Ms. Lane and Ms. Hensler:

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> Attached is a list of additional items for which purchase records
> exist, but which are missing. Please advise as to when we can discuss
> the return of the items.

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> credit card, and include things such as a Playstation 3 video game
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> Regards,

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> Art Graham

> Assistant County Attorney

> County of Volusia

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> <NC Tangible Personal Property.pdf>